COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY TO FILE DEPRECIATION STUDY)))	CASE NO. 2007-00564
APPLICATION OF LOUISVILLE GAS AND ELECTRIC COMPANY FOR AN ADJUSTMENT OF ITS ELECTRIC AND GAS BASE RATES)))	CASE NO. 2008-00252

ORDER

Louisville Gas and Electric Company ("LG&E") has moved the Commission to consolidate its application for approval of a new depreciation study and depreciation rates, pending in Case No. 2007-00564, with its recently filed application for a general adjustment in electric and gas rates, pending in Case No. 2008-00252. In support of its motion, LG&E states that consolidating these two cases will result in administrative economy because there are common issues in both proceedings and the Commission's determination of appropriate depreciation rates will affect both proceedings. LG&E's motion also points out that the only intervenor in its depreciation case, the Attorney General, previously filed a motion supporting the consolidation of these proceedings to promote judicial economy and administrative efficiency.¹

Having reviewed the motion and being otherwise sufficiently advised, the Commission finds that no objections to the consolidation were filed by any party to either case and the consolidation of LG&E's depreciation case with and into its rate

¹ Attorney General's Motion to Modify Procedural Schedule and to Hold in Abeyance, filed June 6, 2008, Case No. 2007-00564.

case is reasonable and will promote administrative economy. The Commission further finds that since there are parties to the rate case who are not parties to the depreciation case, the issues in the depreciation case will be subject to discovery and testimony by intervenors in accordance with the procedural schedule established in the rate case by

Order dated August 15, 2008.

IT IS THEREFORE ORDERED that:

1. LG&E's depreciation study as filed in Case No. 2007-00564 and the entire

record of that case is consolidated with and into Case No. 2008-00252. All future filings

relating to any issue in either case shall contain the styles of both cases, and shall be

filed in Case No. 2008-00252.

2. LG&E's depreciation study shall be subject to discovery and testimony by

intervenors in accordance with the procedural schedule established by Order dated

August 15, 2008 in Case No. 2008-00252.

3. Case No. 2007-00564 shall remain on the Commission's docket until such

time as a final Order is entered in these consolidated cases.

Done at Frankfort, Kentucky, this 22nd day of August, 2008.

By the Commission

Chairman Armstrong abstains.

ATTEST

Execúti√e Director